

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

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In the Matter of )  
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Implementation of the Subscriber Carrier )  
Selection Changes Provision of the )  
Telecommunications Act of 1996 )  
 )  
Policies and Rules Concerning )  
Unauthorized Changes of Consumers' )  
Long Distance Carriers )

CC Docket No. 94-129

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**REPLY COMMENTS OF  
CORECOMM LTD.**

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CoreComm Ltd. ("CoreComm"), by undersigned counsel, respectfully submits its Reply Comments on the Further Notice of Proposed Rulemaking in the above-referenced proceeding<sup>1</sup> pursuant to the Federal Communications Commission's ("Commission") Public Notice released March 25, 1999.

**I. INTRODUCTION**

As set forth in CoreComm's Comments to the Commission, filed on March 18, 1999, CoreComm urges the Commission to allow consumers to use the Internet to better exercise their choices in the telecommunications market. Enabling subscribers to change their carrier via the Internet or to implement or lift a preferred carrier ("PC") freeze gives customers one more way to communicate with their telecommunications carrier in a fashion which, for many customers, is

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<sup>1</sup> *In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, Second Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 94-129 (rel. Dec. 23, 1998) ("Report and Order" or "FNPRM").*

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cheaper, faster, more convenient, and more efficient than other modes of communication. While CoreComm believes the Commission should establish appropriate verification procedures to prevent unauthorized carrier changes, or "slamming", the Company also believes that the Commission should exercise caution in promulgating verification requirements, taking care that such requirements they do no place unnecessary burdens on consumers or carriers, which could stifle the competition that the Commission has been entrusted to facilitate by the Telecommunications Act of 1996.

CoreComm respectfully submits that this goal can be achieved by requiring subscribers wishing to change their carrier or implement or lift a PC freeze to provide certain personal information, such as a mother's maiden name or social security number, or other information known only to the consumer, such as a credit card number, to ensure that it is the subscriber who is requesting the carrier change.<sup>2</sup> This procedure would be as reliable as the Commission's current verification procedures. In particular, it is easier for an unauthorized person to forge a subscriber's name on a written LOA than to obtain the personal information needed to provide the suggested verification information over the Internet. CoreComm also advocates the use of digital signatures for verification purposes as that technology becomes more refined and its usage more widespread. In this way, the advantages of communication and commerce over the Internet -- speed, convenience, and efficiency -- are maintained, while customer protection is ensured.

Use of this same personal information would be equally appropriate to confirm requests to apply or lift PC freezes. If a subscriber with a PC freeze in place wishes to change carriers, it defeats the consumer's choice if he or she cannot lift the freeze at the same time he or she places the PC

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<sup>2</sup> See *FNPRM*, at ¶ 172.

change order. No unscrupulous carrier would be able to lift a PC freeze to slam a customer because the unscrupulous party would not be able to provide the required personal information.

Certain commenters, however, seek to unnecessarily complicate and burden verification of carrier changes by means which would negate many of the advantages which the Internet provides. Specifically, they advocate use of additional off-line verification for all carrier changes submitted via the Internet; required encryption of LOAs sent via the Internet; and/or use of ILEC-provided account numbers as verification information. As discussed in more detail below, these measures would act to reduce consumer choice while providing no substantial improvement in security.

**I. ADDITIONAL OFF-LINE VERIFICATION IS UNNECESSARY FOR CONSUMER PROTECTION.**

Several commenters assert that the current verification procedures in place for carrier changes made via other media should be applied to the Internet.<sup>3</sup> However, these methods offer no significant advantages over submission of LOAs by the Internet, and would serve only to stifle the use of the Internet to make carrier changes. As advocated by CoreComm and other commenters,<sup>4</sup> the personal information submitted by the subscriber over the Internet would be known only by the subscriber, and whomever he or she chose to disclose it to. This is the same information that is used by third party verifiers to check orders generated by telemarketing -- the only difference is that the information is submitted via the Internet rather than by telephone. Similarly, the subscriber who submits an order over the Internet has control over the information provided. The signature on a

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<sup>3</sup> See, e.g., Comments of Price Interactive, Inc., Teltrust, Inc., and SBC Communications, Inc.

<sup>4</sup> See, e.g., Comments of the Florida Public Service Commission, the Missouri Public Service Commission, Excel Telecommunications, Inc., Ameritech, US WEST Communications, Inc., and RCN Telecom Services, Inc.

written LOA, however, can be forged by someone other than the subscriber, with no practical way for the validity of the signature to be checked.

Furthermore, application of these traditional verification methods to Internet orders eliminates much of the virtue of using the Internet to place an order, resulting in the needless sacrifice of speed and efficiency. Relying on third party verifiers means that a subscriber has to wait until the verifier gets around to contacting him or her before being able to use the newly selected carrier, assuming that the verifier actually reaches the subscriber when he or she is at home. Similarly, a written LOA must traverse the postal system before it can be acted on and if it does not contain all required information must be rejected. Internet LOA forms, on the other hand, can be formatted to require completion of all mandatory fields before the order can be submitted by the customer. Even electronic verification requires the subscriber to affirmatively contact the carrier by telephone and proceed through a voice mail system. The Internet should be made available as another alternative for subscribers to avail themselves of, without having to resort to slower and more complicated means to effectuate their choice of telecommunications carriers.

Bell Atlantic suggests that provision of personal information by a subscriber when requesting a PIC change is not reliable to prevent slamming "if the slamming carrier itself [has] access to that verification information. If a carrier is sufficiently unscrupulous that it is willing to impersonate the customer by submitting an unauthorized Internet order, however, the Commission cannot be confident that the carrier will not also find a way to obtain the verifying information."<sup>5</sup> Bell Atlantic's concern is misplaced. An unscrupulous carrier can always find a way to avoid proper

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<sup>5</sup>Comments of Bell Atlantic on Further Notice, March 18, 1999 at 7.

verification, even under the Commission's current requirements (for example, by forging a written LOA). No verification system will be foolproof. The Commission must balance security concerns with increased competition and benefit to the consumer by facilitating the ability to choose among carriers. As proposed by CoreComm, the Internet could be safely used to bring greater flexibility to consumer choice, leading to greater competition and better service in general.

## **II. ENCRYPTION IS UNNECESSARY FOR CONSUMER PROTECTION.**

The Florida Public Service Commission ("Florida PSC") proposes that carrier change information sent via the Internet should be encrypted. CoreComm respectfully opposes mandating encryption of information because at the present time encryption is not standardized or generally available to many customers. There is no guarantee that a customer will have or be able to use the same encryption software as the carrier in question. Furthermore, any attempt at standardization by the Commission may very well be expensive and difficult to implement. Lastly, encryption is not necessary to protect the integrity of the personal information being transmitted: if the information is tampered with, it will not be accurate and no unauthorized carrier change will occur. As an alternative, CoreComm supports Excel's proposal that each carrier provide a description of the kind of security, if any, in use in accepting carrier change requests, so that subscribers may determine for themselves whether they want to send their information via the Internet based on that disclosure. This would ensure that consumers are aware of the advantages and disadvantages of submitting information over the Internet, while preserving their freedom to do so if they decide it is in their interest.

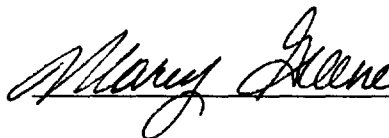
### **III. ILECS SHOULD NOT HOLD THE REINS FOR CARRIER CHANGES.**

Some commenters have suggested that additional verifying information should be provided by subscribers in requesting a PC change, such as an account code set up by the LEC (as proposed by BellSouth), or the customer's actual account number (as proposed by Ameritech). These mechanisms should not be adopted because they will unfairly favor incumbent LECs. An account code established by an ILEC will be known only to the ILEC, who could use it to illegally retain customers or engage in other anti-competitive practices. The personal information suggested by CoreComm, on the other hand, would not be exclusively in the hands of ILECs, and would therefore establish a level playing field among all carriers.

#### IV. CONCLUSION

CoreComm concurs with numerous commenters that carrier changes and changes in PC freeze status via the Internet can be made safely and securely with appropriate verification procedures in place. A requirement that subscribers provide personal information in requesting their PC change or PC freeze will confirm that it is the subscriber making the request, while putting a minimum of burden on the subscriber to do so. More restrictive methods of verification, as described above, however, will effectively reduce the benefits of transactions via the Internet, and by restricting that avenue, will result in fewer consumer choices being implemented. The Commission should reject these unnecessary requirements when adding the Internet to the methods by which customers can request carrier changes.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Marcy Greene", is written over a horizontal line.


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Dated: May 3, 1999

## CERTIFICATE OF SERVICE

I, Marcy A. Greene, hereby certify that on this 3<sup>rd</sup> day of May, 1999, a copy of the foregoing Reply Comments of Corecomm Ltd. was served on the parties on the attached list via first-class mail, postage pre-paid.

  
Marcy A. Greene









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